



STATE OF NEW JERSEY
Board of Public Utilities
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**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A Regular Board meeting of the Board of Public Utilities was held on September 11, 2015, at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

Public notice was given pursuant to N.J.S.A. 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Richard S. Mroz, President
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner

President Mroz presided at the meeting and Irene Kim Asbury, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on October 15, 2015 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

Energy Agent and/or Energy Consultant Initial Registrations

EE15050531L	Vanguard Energy Services, LLC	I – EA
EE15010055L	EnergyConnect, Incorporated	I – EA/EC
GE15080974L		

Energy Agent Renewal Registrations

EE15010097L	Berkshire Energy Partners, LLC	R – EA
EE15010096L	The O.E. Group d/b/a Optimal Energy	R – EA
EE15010102L	RTE Enterprises, LLC	R – EA
EE15020254L	Open Energy Services, LLC	R – EA

Electric Power and Natural Gas Supplier Renewal Licenses

EE15060669L	South Jersey Energy Company	R – EGSL
GE15060670L		
EE14121394L	Plymouth Rock Energy, LLC	R – EGSL
GE14121395L		
EE14080927L	Public Power & Utility of New Jersey, LLC	R – EGSL
GE14080926L		

BACKGROUND: The Board must register all energy agents and consultants, license all third party electric power suppliers and gas suppliers. An electric power supplier, gas supplier, or clean power marketer license shall be valid for one year from the date of issue, except where a licensee has submitted a complete renewal application at least 30 days before the expiration of the existing license, in which case the existing license shall not expire until a decision has been reached upon the renewal application. An energy agent, private aggregator or energy consultant registration shall be valid for one year from the date of issue. Annually thereafter, licensed electric power suppliers, gas suppliers, and clean power marketers, as well as energy agents and private aggregators, are required to renew timely their licenses in order to continue to do business in New Jersey.

Having reviewed the submitted applications in accord with N.J.A.C. 14:4-5.4, Staff recommended that the Board issue initial registration as an energy agent and/or energy consultant for one year to:

- Vanguard Energy Services, LLC
- EnergyConnect, Inc.

In addition, Staff recommended that the following applicants be issued renewal registrations as an energy agent for one year:

- Berkshire Energy Partners, LLC
- RTE Enterprises LLC
- Open Energy Services LLC

Staff also recommended that the following applicants be issued a renewal licenses as an electric power and natural gas supplier for one year:

- South Jersey Energy Company
- Plymouth Rock Energy, LLC
- Public Power & Utility of New Jersey, LLC

Lastly, Staff recommended approval of the renewal application of the following energy agent under limited waiver program:

- The O.E. Group d/b/a Optimal Energy

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

II. ENERGY

A. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket Nos. ER15-623 and ER15-88 – Indicated Market Participants v. PJM Interconnection, LLC

BACKGROUND: On August 17, 2015, Staff, acting on behalf of the Board, joined with the Delaware Public Service Commission as well as the Joint Consumer Representatives, including New Jersey Rate Counsel, to file detailed comments in support of the Indicated Market Participants. The Intervention should have been filed simultaneously, or prior to, the submission of the comments, but due to administrative oversight, they were filed late.

Staff recommended that the Board ratify the intervention.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket No. GR15060656 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval to Revise Its Base Rates to Recover the Costs of the Elizabethtown Natural Gas Distribution Utility Reinforcement Effort Program and Related Tariff Revisions.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On June 3, 2015, the Elizabethtown Gas (Company or Elizabethtown) filed a petition in accordance with the Board's July 23, 2015 Order, which requested the authority to roll into and recover through base rates the costs associated with the Elizabethtown Natural Gas Distribution Utility Reinforcement Effort (ENDURE) program. On August 5, 2015, the New Jersey Large Energy Users Coalition (NJLEUC) filed a motion to participate, as well as a motion for the admission *pro hac vice* of Paul F. Forshay, Esq. The members of NJLEUC who are customers of Elizabethtown will be directly affected by the outcome of this proceeding and, accordingly, Staff recommended that the Board grant NJLEUC's motion to participate and the motion for admission *pro hac vice*.

The ENDURE program is comprised of the following:

1. The replacement of 12 miles of low pressure cast iron main located within a designated FEMA flood zone (\$9.2 million);
2. The elevation and hardening of the building that houses instrumentation tied to the Company's operation of its liquefied natural gas plant (\$5.4 million);
3. The elevation of three gate station facilities to protect remotely controlled equipment located at those sites (\$275,000); and
4. Spending up to \$100,000 to engage a consultant to assess the Company's need to expand and enhance its communications capabilities during major storm events.

Staff recommended that the Board grant the motion to participate filed by NJLEUC and the motion for admission *pro hac vice*.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

III. CABLE TELEVISION

A. Docket No. CE09030230 – In the Matter of the Petition of Cablevision of New Jersey, LLC for the Conversion to a System-wide Cable Television Franchise in the City of Bayonne.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On March 20, 2009, Cablevision of New Jersey, Inc. filed notice with the Board and the Borough of Fair Lawn that it would convert its municipal consent-based cable television system serving the Borough to a system-wide cable television franchise. The Board

commemorated Cablevision of New Jersey's conversion of the Borough of Fair Lawn by Order dated June 10, 2009. Cablevision of New Jersey restructured and is now known as Cablevision of New Jersey, LLC. Through subsequent filings, Cablevision of New Jersey has converted an additional 20 municipalities as follows:

- On May 10, 2010, the Borough of Bergenfield, the Borough of Dumont, the Borough of Haworth, the Borough of Hillsdale, the Borough of Oradell and the Borough of Paramus. Order of Amendment issued on August 4, 2010.
- On July 19, 2010, the Borough of Closter, the Borough of Emerson, the Borough of Norwood, the Borough of Rockleigh and the Borough of Woodcliff Lake. Second Order of Amendment issued on September 16, 2010.
- On September 16, 2010, the Borough of Saddle River; on September 23, 2010, the Township of River Vale. Third Order of Amendment issued on November 10, 2010.
- On November 19, 2010, the Borough of Demarest, the Borough of Harrington Park, the Borough of New Milford and the Borough of Northvale. Fourth Order of Amendment issued on February 10, 2011.
- On June 12, 2014, the Borough of Tenafly. Fifth Order of Amendment issued on July 23, 2014.
- On August 3, 2015, Cablevision of New Jersey filed notice with the City of Bayonne that it would convert its municipal consent-based franchise in the City to its System-wide Cable Television Franchise. That notice was received by the Board on August 4, 2015.

Cablevision of New Jersey's system-wide cable television franchise will expire on March 16, 2016.

The Office of Cable Television recommended approval of the Sixth Order of Amendment acknowledging the conversion of the City of Bayonne into Cablevision of New Jersey's system-wide cable television franchise.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. CE14080931 – In the Matter of the Petition of Comcast of Central New Jersey II, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Branchburg, County of Somerset, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On January 28, 2013, the Township of Branchburg (Township) granted Comcast of Central New Jersey II, LLC (Comcast) renewal municipal consent for a term of 15 years. On February 11, 2013, Comcast formally accepted the terms and conditions of

the ordinance, and on August 26, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This certificate shall expire on June 7, 2026.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. CE14091061 – In the Matter of the Petition of Comcast of Central New Jersey, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Roosevelt, County of Monmouth, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On June 23, 2014, the Borough of Roosevelt (Borough) granted Comcast of Central New Jersey, LLC (Comcast) renewal municipal consent for a term of 15 years. On August 5, 2014, Comcast formally accepted the terms and conditions of the ordinance, and on September 25, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Borough.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This certificate shall expire on January 28, 2028.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket No. CE14111276 – In the Matter of the Petition of Comcast of South Jersey, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Longport, County of Atlantic, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On August 6, 2014, the Borough of Longport (Borough) adopted an ordinance granting renewal municipal consent to Comcast of South Jersey, LLC (Comcast). On September 9, 2014, Comcast formally accepted the terms and conditions of the ordinance, and on November 6, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Borough.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This certificate shall expire on August 13, 2025.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

E. Docket No. CE13100943 – In the Matter of the Petition of Cablevision of Monmouth, LLC for a Renewal Certificate of Approval to Continue to Operate and Maintain a Cable Television System in the Borough of Seaside Park, County of Ocean, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On December 27, 2012, after public hearing, the Borough of Seaside Park (Borough) adopted an ordinance granting renewal municipal consent to Cablevision of Monmouth, LLC (Cablevision). On September 12, 2013, Cablevision formally accepted the terms and conditions of the ordinance, and on October 15, 2013, Cablevision filed with the Board for a renewal of its Certificate of Approval for the Borough.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This certificate shall expire on September 21, 2025.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

F. Docket No. CE14111275 – In the Matter of the Petition of Comcast of Garden State, L.P. for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Woodland, County of Burlington, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 24, 2014, the Township of Woodland (Township) adopted an ordinance granting renewal municipal consent to Comcast of Garden State, LP (Comcast). On September 29, 2014, Comcast formally accepted the terms and conditions of the ordinance, and on November 6, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This certificate shall expire on September 21, 2030.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

G. Docket No. CO15070842 – In the Matter of Cablevision of Hamilton Request for a Waiver, of the 30-day Notice Period for Filing of an Alteration in Channel Allocation, Pursuant to N.J.A.C. 14:18-3.17.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On June 26, 2015, Cablevision of Hamilton (Cablevision), requested a waiver, of the 30 day notice requirements as specified under N.J.A.C. 14:18-3.17. The reason for the waiver request was due to the sudden removal of Tango Traffic SD programming on channel 117 by the program provider. Cablevision stated that Gracenote, the provider of Tango Traffic SD, ceased airing Tango Traffic programming and replaced it with Mummars Parade SD on channel 117 on June 26, 2015. Cablevision states that subscribers were initially notified via on screen message on June 26, 2015 and by bill message inserts beginning on July 1, 2015. Municipal notice was provided by fax on June 26, 2015.

After review, Staff recommended that the Board approve the waiver of the 30-day notice period required for alteration of service.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

H. Docket No. CR15030273 – In the Matter of Comcast of Wildwood, LLC (Maple Shade/Gloucester City) for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Comcast of Wildwood, LLC (Maple Shade-Gloucester City) (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, channel change, programming cost and copyright fee adjustments for a total increase in the Maximum Permitted Rate (MPR) of 19.0% for the period of January 1, 2016 to December 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 C.F.R. § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

This filing resulted in a Stipulation of Final Rates reflecting an increase in Petitioner's MPR for the basic service tier.

After review, Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC form 1240, adjusting Petitioner's MPR for the basic service tier from \$12.10 to \$14.40 per month. However, the actual bill will reflect a change in the basic (operator selected) rate from \$10.50 to \$12.60 (an increase of 20.0%).

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

I. Docket No. CR15030274 – In the Matter of Comcast Cable Communications, LLC for Approval of the Filing of FCC Form 1205 Determining Regulated Equipment and Installation Costs Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Comcast Cable Communication, LLC (Petitioner) filed Federal Communications Commission (FCC) Form 1205 with the Board seeking approval of certain changes in its regulated equipment and installation rates for the period of January 1, 2016 to December 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Forms 1240 & 1205) must file for approval of these rates as required by 47 C.F.R. § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

This filing resulted in a Stipulation of Final Rates reflecting certain changes in the costs of regulated equipment and installation charges as shown on Schedule A of the Stipulation.

After review, Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1205 adjusting Petitioner's regulated equipment and installation rates as shown on the standard expedited Schedule A of the Stipulation of Final Rates.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

There were no items in this category.

VI. RELIABILITY & SECURITY

A. Docket Nos. GS15080929K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND This matter involved of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks to establish appropriate disincentives for actions which violate the Underground Facility Protection Act.

After review, Staff recommended that the Board approve all those cases in which offers of settlement and payment have been received.

DECISION: After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Solomon	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Chivukula	Aye

B. Docket Nos. WS15080897K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: President Mroz and Commissioner Chivukula recused themselves from this matter. This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks to establish appropriate disincentives for actions which violate the Underground Facility Protection Act.

After review. Staff recommended that the Board approve all those cases in which offers of settlement and payment have been received.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU GC14101142U and OAL PUC 02712-15 – In the Matter of Edward E. Curran, Petitioner v. South Jersey Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Edward E. Curran (Petitioner) and South Jersey Gas Company (SJG). The petition was transmitted to the Office of Administrative Law on February 23, 2015, as a contested case. Administrative Law Judge (ALJ) W. Todd Miller filed an Initial Decision in this matter with the Board on August 7, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter, SJG will credit the Petitioner's account in the amount of \$2,000.00 for gas service in full satisfaction and settlement of the billing dispute. To satisfy the remainder of the outstanding bill, which is estimated to be approximately \$4,000.00, the Petitioner shall continue to pay \$937.00 per month until the outstanding balance is fully paid. In addition to the agreement that the Settlement fully resolves any and all disputes associated with the billing dispute, SJG agrees that it will not pursue any further action associated with the illegal connection of gas service.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Miller. Staff recommended that the Board adopt the Initial Decision of the ALJ Miller.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket Nos. BPU GC14030212U and OAL PUC 07749-14 – In the Matter of Harrison Park Owners, Inc., Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Harrison Park Owners, Inc. (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on June 19, 2014, as a contested case. Administrative Law Judge (ALJ) Leslie Z. Celentano filed an Initial Decision in this matter with the Board on August 4, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter, the Petitioner agreed to pay \$20,000.00 on the account ending in 636 02 to be paid in four monthly installments of \$5,000.00 starting on July 25, 2015, along with the payment of current bills. In addition, upon the final payment of \$5,000.00 plus the current bill, the Petitioner shall receive a credit to its account which will reduce the balance to \$0.00. On August 17, 2015, Staff confirmed with a PSE&G representative that a \$5,000.00

payment was made on August 5, 2015.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Celentano. Staff recommended that the Board adopt the Initial Decision of the ALJ Celentano.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket Nos. BPU EC14070756U and OAL PUC 16374-14 – In the Matter of Princeton Optronics, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Princeton Optronics (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on December 2, 2014, as a contested case. Administrative Law Judge (ALJ) John R. Futey filed an Initial Decision in this matter with the Board on August 3, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter, the parties agreed that the Petitioner shall move to dismiss, with prejudice, the Superior Court case pending under Docket No. MID-L-7281-12 and provide a Dismissal Order to PSE&G. In return, PSE&G agreed that upon receipt of the Dismissal Order, with prejudice, it will credit the Petitioner's account, ending in 3282 5 6 in the amount of \$150,000.00.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Futey. Staff recommended that the Board adopt the Initial Decision of the ALJ Futey.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket Nos. BPU EC14111331U and OAL PUC 01533 – In the Matter of Lincoln Center Community Church, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Lincoln Center Community Church, also known as Lincoln Center Community Development (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on January 23, 2015, as a contested case. Administrative Law Judge (ALJ)

Michael Antoniewicz filed an Initial Decision in this matter with the Board on August 21, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

The total amount in arrears is \$15,144.95. Pursuant to the terms of the Stipulation, and in order to fully resolve this matter, the parties further agreed to a Deferred Payment Agreement (DPA) consistent with N.J.A.C. 14:3-7.7. The DPA requires the Petitioner to remain current on all bills for a 12-month period and to make monthly installment payments on the total amount in arrears, as follows: \$257.00 per month on the House Account; \$778.00 per month on the Center Account; and \$227.00 per month on the Chapel Account. The DPA shall commence with the August 2015 monthly bill for each account with a DPA reference included on each bill.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Antoniewicz. Staff recommended that the Board adopt the Initial Decision of ALJ Antoniewicz.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes of the August 19, 2015 Agenda Meeting.

BACKGROUND: Staff presented the August 19, 2015 Board agenda meeting minutes, and recommended that they be accepted.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

A. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. ER15-2268 – Southwest Power Pool, Inc. Application Pursuant to 205(d) for Revisions Regarding Components of Mitigated Offers.

Cynthia Holland, Esq., Legal Specialist, presented this matter.

BACKGROUND AND DISCUSSION: On July 24, 2015, the Southwest Power Pool (SPP) filed with Federal Energy Regulatory Commission to revise their tariff to redefine the meaning of short-run marginal cost for purposes of capping energy market offers. The SPP filing represents the first regional transmission organization filing of this kind. As such, the decision may be precedent setting. The PJM Independent Market Monitor (IMM) has intervened/commented in this proceeding. On August 28, 2015, Staff, on behalf of the Board, intervened and commented in this proceeding in support of the IMM Comments.

Staff recommended that the Board ratify the submission of comments/intervention.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket No. ER15060732 – In the Matter of the 2015/2016 Annual Compliance Filing for the Universal Service Fund Lifeline Program Components within the Societal Benefits Charge Rate Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:21.1 Submitted by Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas.

Peter Hilerio, Universal Service Fund Team, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 19, 2015, Public Service Electric and Gas Company (PSE&G), on behalf of itself and the other Gas and Electric Distribution Companies (EDCs), made a filing with the Board for the 2015/2016 program year with actual cost data from October 2014 to April 2015 and five months of estimated data.

The EDCs proposed that the statewide Universal Service Fund (USF) rates be set to recover a \$176.0 million USF budget, representing a decrease of approximately \$7.5 million from the existing \$183.5 million being recovered under the current USF rates. The EDCs also asserted that their calculations supported the recovery of \$74.2 million

for the State's Lifeline program, representing a decrease from the existing \$75.5 million being recovered under the current rates. Further, the rates proposed in the June 19, 2015 filing include an estimated Department of Community Affairs administrative budget of \$7.4 million.

The combined USF/Lifeline rates, based on the updated data, represent a \$7.32 decrease for an average residential gas customer utilizing 1,000 therms per year and an increase of \$1.76 for an average residential electric customer utilizing 7,800 kWh per year. The combined USF/Lifeline annual bill would be \$36.02 per year for an average residential customer who uses both gas and electricity, a decrease of approximately 13.38% or \$5.56 from the current level of \$41.58 per year.

Staff recommended that the Board approve USF and Lifeline rates, which would support a \$175.2 million USF budget, and a \$74.2 million Lifeline budget.

These rates would become effective October 1, 2015 on an interim basis, and allow the utilities requested recovery of their deferred administrative expenses.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. EC15-157 – Application for Authorization Pursuant to Sections 203(A)(1)(A) and 203(A)(2) of the Federal Power Act and Request for Waivers of Certain Filing Requirements of Pennsylvania Electric Company, et al.

David Wand, Deputy Attorney General, Division of Law, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. The First Energy East Companies (including JCP&L), Mid-Atlantic Interstate Transmission (MAIT), and First Energy Transmission, filed an Application with the Federal Energy Regulatory Commission seeking authorization to transfer what they describe as transmission assets to MAIT. Companion state filings are pending before the Board and the Pennsylvania Commission pursuant to each state's separate and independent regulatory authority. On August 21, 2015, Staff, on behalf of the Board, filed a Motion to Stay the federal proceedings until conclusion of the case pending before the Board.

Staff recommended that the Board ratify the Motion to Stay the federal proceeding.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket No. GR14111287 – In the Matter of the Petition of Soundview Paper Company, LLC for Approval of a Rate Schedule CSG Transportation Service Agreement between Public Service Electric and Gas Company and Soundview Paper Company, LLC; and

Docket No. GR15060659 – In the Matter of Rate Schedule CSG Transportation Service Agreement between Public Service Electric and Gas Company and Marcal Manufacturing, LLC and the Potential Discount of Societal Benefits Charges.

This matter was deferred.

Jerome May, Director, Division of Energy, presented these matters.

E. Docket No. ER15030277 – In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its Non-Utility Generation Charge and Its Societal Benefits Charge (2015).

BACKGROUND AND DISCUSSION: On November 10, 2014, Soundview Paper Company, LLC (Soundview) filed a petition with the Board requesting the Board determine that Soundview qualifies for a discounted gas service rate and approve a Rate Schedule Contract Service Gas (CSG) Transportation Service Agreement between Public Service Electric and Gas Company (PSE&G or Company) and Soundview that had not been negotiated between the parties. Soundview also sought Board approval of a discount on the Societal Benefits Charge (SBC). By letter dated November 25, 2014, PSE&G filed its answer to the petition asserting that no service agreement existed that could be approved by the Board, and that the only issue before the Board was the request for a discount on the SBC charge.

On June 9, 2015, PSE&G filed a letter with Board, seeking approval of a Rate Schedule CSG Transportation Service Agreement between PSE&G and Marcal Manufacturing LLC (Marcal) (Service Agreement). The Service Agreement set forth the rates, terms and conditions under which PSE&G proposed to provide firm natural gas distribution services to Marcal's facilities at 1 Market Street, Elmwood Park, New Jersey. PSE&G stated that the offer included in the Service Agreement is reasonable because the proposed rates exceed marginal costs, and approval of the Service Agreement may prevent the loss of load or result in additional load. PSE&G further requested expedited treatment of the filing.

According to the letter, Marcal also requested to have the SBC discounted during the term of the Service Agreement such that it pays only the portion of the SBC applicable to the programs administered by the Board's Office of Clean Energy or its successor. PSE&G asserted that it takes no position on Marcal's request for a discount on the SBC charge. Both PSE&G and Marcal requested that the Board determine the level of the SBC applicable to this service, and specify the exact amount of the discount in its Order.

The Company presently provides natural gas transportation services to the facilities owned and operated by Marcal in Elmwood, New Jersey at rates and terms set by PSE&G's tariff. In 2007, Marcal received a tax credit by legislative action on its energy

usage, which Marcal states provided about \$1.5 million in tax relief annually, which Marcal used as a basis for its pursuit of a CSG agreement with PSE&G.

On August 17, 2015, Staff received comments from the New Jersey Division of Rate Counsel (Rate Counsel). While Rate Counsel had no objections to the terms of the Service Agreement, it did object to granting Marcal any discount on the SBC.

Staff recommended that the Board issue an Order approving the Service Agreement between PSE&G and Marcal. Staff further recommended that, for the term of the agreement, the Board approve a discounted SBC charge applicable to Marcal which would consist only of the portion of the SBC that is attributable to the New Jersey Clean Energy Program at the level set each year by the Board and allocated to PSE&G.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

F. Docket Nos. ER15070757 and GR15070758 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in Its Electric Green Programs Recovery Charge and Its Gas Green Programs Recovery Charge (2015 PSE&G Green Programs Cost Recovery Filing).

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On July 2, 2015, Public Service Electric and Gas Company (PSE&G) filed a petition with the Board seeking approval to modify the electric and gas components of the Green Programs Recovery Charge (GPRC). The rates proposed were designed to recover approximately \$63.7 million (electric) and \$9.6 million (gas) in revenues on an annual basis. As filed, the resultant net annual revenue impact on the Company's electric and gas customers is a decrease of \$47.7 million and \$8.9 million, respectively.

On August 26, 2015, PSE&G, Board Staff (Staff) and the New Jersey Division of Rate Counsel (collectively, Parties) executed a Stipulation of Settlement (Stipulation) requesting that the Board approve the proposed cumulative decrease in the electric GPRC and gas GPRC on a provisional basis, subject to refund with interest, to allow the Parties sufficient time to complete their review of the petition and the proposed rates and costs.

Staff recommended that the Board issue an Order accepting the Stipulation of the Parties which seeks to implement the proposed electric and gas GPRC rates on a provisional basis subject to refund to be effective as of October 1, 2015. Staff further recommended that the Board order PSE&G to file tariffs consistent with the Order within five days of service of the order.

DECISION: After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

G. Docket No. ER15060754 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in Its Electric Solar Pilot Recovery Charge for Its Solar Loan I Program.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 30, 2015, Public Service Electric and Gas Company (PSE&G) filed a petition with the Board seeking approval to decrease its electric Solar Pilot Recovery Charge (SPRC) by approximately \$4.2 million for the period October 1, 2015 through September 30, 2016. The rates proposed for the SPRC were designed to recover approximately \$2.1 million in revenue on an annual basis.

On August 26, 2015, PSE&G, Board Staff (Staff) and the New Jersey Division of Rate Counsel (collectively, Parties) executed a Stipulation of Settlement (Stipulation) requesting that the Board approve the proposed decrease in the SPRC on a provisional basis, subject to refund with interest, to allow the Parties sufficient time to complete their review of the petition and the proposed rates and costs.

Staff recommended that the Board issue an Order accepting the Stipulation of the Parties which seeks to implement the proposed SPRC rate on a provisional basis subject to refund to be effective as of October 1, 2015. Staff further recommended that the Board order PSE&G to file tariffs consistent with the Order within five days of service of the order.

DECISION: After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

H. Docket No. ER15070771 – In the Matter of the Petition of Atlantic City Electric Company for Approval to Implement FERC-Approved Changes to ACE's Retail Transmission (Formula) Rate Pursuant to Paragraphs 15.9 of the BGS-RSCP and BGS-CIEP Supplier Master Agreements and Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff (2015).

BACKGROUND AND DISCUSSION: On July 2, 2015, Atlantic City Electric Company (ACE or Company) filed a petition with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in firm transmission service related charges.

ACE's proposed tariff changes reflect changes to the Basic Generation Service (BGS) Residential and Small Commercial Pricing (BGS-RSCP) and Commercial and Industrial Energy Pricing (BGS-CIEP) rates to customers resulting from changes in the PJM Open Access Transmission Tariff (OATT) made in response to (i) the annual formula rate update filings made by PPL Electric Utilities Corporation in FERC Docket No. ER09-1148, by American Electric Power Service Corporation (AEP) in FERC Docket No. ER08-1329 and ER10-355, and by Trans-Allegheny Interstate Line Company (TrAILCo) in FERC Docket No. ER07-562, and (ii) a revised formula rate filing made by Delmarva Power and Light Company (Delmarva) in FERC Docket No. ER09-1158; a revised formula rate filing made by Potomac Electric Power Company in FERC Docket No. ER09-1159; and ACE's revised formula rate filing in FERC Docket No. ER09-1156. The filings referred to in (i) and (ii) above are collectively referred to as the "Filings." ACE requested that the changes become effective on September 1, 2015.

The Transmission Enhancement Charges (TECs) detailed in Schedule 12 of the PJM OATT were implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" that are requested by PJM for reliability or economic purposes. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

The retail transmission rates, as well as the BGS-RSCP and BGS-CIEP rates included in the amended tariff sheets for ACE reflect costs effective on June 1, 2015 for TECs resulting from all of the FERC-approved filings, except the AEP- East filing which is effective on July 1, 2015. ACE also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates from formula rates effective June 1 and July 1, 2015.

If approved, suppliers will be compensated subject to the terms and conditions of the applicable Supplier Master Agreements (SMAs). Any differences between payments to BGS-RSCP and BGS-CIEP Suppliers and charges to customers will flow through the BGS Reconciliation Charges. This treatment is consistent with the previously-approved mechanisms.

No comments were received from Rate Counsel or any other party.

Staff recommended that the Board issue an Order accepting the proposed tariff changes as filed by ACE and approving implementation of FERC approved changes to ACE's retail transmission rates through changes to the BGS-RSCP and BGS-CIEP rates, effective for service on or after October 1, 2015.

Staff further recommended approval of the Company's request that the affected BGS suppliers receive the appropriate compensation for the rate adjustment(s) subject to the terms and conditions of the relevant BGS-FP and BGS-CIEP SMAs.

DECISION: After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

I. Docket No. GR15040496 – In the Matter of the Petition of South Jersey Gas Company for Approval of Base Rate Adjustments Pursuant to the Storm Hardening and Reliability Program.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. The South Jersey Gas Company (SJG) sought Board approval to recover in base rates the annual revenue requirement (\$3.791 million) tied to the return on in Storm Hardening and Reliability Program (SHARP) investments placed in service from July 1, 2014 through June 30, 2015.

The \$36.904 million in expenditures are traced to the replacement of 32.0 miles of low pressure cast iron main and 3,762 renewed associated services in the municipalities of Atlantic City Ventnor and Margate.

On August 26, 2015, SJG, Rate Counsel and Board Staff executed a Stipulation of Settlement (Stipulation).

Staff recommended that the Board approve the Stipulation, which allows the Company to recover in base rates the estimated annual revenue requirement associated with the first year of SHARP investments made from July 1, 2014 through June 30, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

J. Docket No. GR15060748 – In the Matter of the Petition of Public Service Electric and Gas Company to Revise Its Weather Normalization Charge for the 2015-2016 Annual Period.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 25, 2015, the Public Service Electric and Gas Company (Company) filed a petition the Board for approval to refund \$39.696 million through its Weather Normalization Clause (WNC) over the 2015-2016 Winter Period.

The Company proposed a WNC after-tax rate of (\$0.030144) per balancing therm applicable to Residential Service Gas, General Service Gas and Large Volume Gas customers

The Company, Board Staff and the New Jersey Division of Rate Counsel determined that additional time was needed to complete a comprehensive review of PSE&G's proposed WNC rate and other aspects of the Company's filing, and agreed that the stipulated provisional after-tax WNC rate of (\$0.030144) per balancing therm, to be made effective October 1, 2015, subject to refund with interest, is reasonable and in the public interest.

Staff recommended that the Board approve the Stipulation for Provisional WNC rates.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

K. Docket No. GR15060647 – In the Matter of the Petition of Public Service Electric and Gas Company's 2015/2016 Annual Basic Gas Supply Service Commodity Charge Filing for Its Residential Gas Customers Under Its Periodic Pricing Mechanism and for Changes in Its Balancing Charge.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 1, 2015, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board to reduce the Company's Basic Gas Supply Service (BGSS)-residential service gas (RSG) and Balancing Charge per-therm rates to \$0.401235 and \$0.093827, respectively.

The Company, Rate Counsel and Board Staff stipulated that, while additional time is needed to complete a review of the Company's Petition, at this time it is reasonable and in the public interest for the proposed rate reductions be provisionally approved.

Approval of the request will result in a decrease in annual revenues of approximately \$65.0 million.

Staff recommended that the Board approve the Stipulation for Provisional PSE&G's BGSS-RSG rates subject to refund with interest on any over recovered BGSS balance for service rendered on and after October 1, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

L. Docket No. GR15060644 – In the Matter of the Petition of New Jersey Natural Gas Company for the Annual Review and Revision of Its Basic Gas Supply Service and Conservation Incentive Program Factors for Fiscal Year 2016.

BACKGROUND AND DISCUSSION: New Jersey Natural Gas Company filed a petition with the Board on May 29, 2015 seeking to maintain its per therm Basic Gas Supply Service (BGSS) rate applicable to residential and small commercial customers of \$0.4804. In addition, based on actual and estimated data through September 30, 2016, the Company sought to revise the level of its Conservation Incentive Program (CIP) recovery rates resulting in a net increase in revenues of \$1.181 million. The Company also petitioned to decrease its Balancing Charge rate from \$0.0750 to \$0.0679 per therm.

Staff recommended that the Board provisionally approve to maintain the Company's BGSS rate at \$0.4804 per therm, and to establish after-tax balancing and CIP rates effective October 1, 2015 as follows:

	Approved
BGSS	\$0.4804
Balancing Charge	\$0.0679
CIP:	
Residential - Non-Heat	(\$0.0403)
Residential - Heat	(\$0.0224)
Commercial - Small	\$0.0128
Commercial - Large	\$0.0339

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

M. Docket No. GR15060646 – In the Matter of the Petition of Public Service Electric and Gas Company's 2015/2016 Annual Margin Adjustment Charge Filing Under Its Periodic Pricing Mechanism and for Changes in the Tariff for Gas Service.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 1, 2015, Public Service Electric and Gas Company (Company) filed a petition with the Board requesting a change in its Margin Adjustment Charge (MAC) per therm rate from (\$0.011403) to (\$0.007758), to be implemented for service rendered on and after October 1, 2015.

Although the Parties in this matter needed additional time to complete the review of the Company's proposed MAC rate, but they agreed to a provisional change to a credit rate of \$0.007758 at this time.

On August 26, 2015, the Parties executed a Stipulation of agreement that provides for the Company's proposed MAC rate to be provisionally changed to a credit of \$0.007758 subject to refund with interest on any net over-recovered MAC balance.

Staff recommended that the Board provisionally approve the per therm MAC rate of (\$0.007758) effective October 1, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

N. Docket No. GR15060642 – In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service Charge and to Revise the Level of Its Conservation Incentive Program Charges for the Year Ending September 30, 2016.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 1, 2015, South Jersey Gas Company (Company or SJG) filed its annual BGSS petition with the Board requesting the authorization to decrease its per-therm periodic BGSS rate from \$0.650270 to \$0.529214 for the period October 1, 2015 through September 30, 2016.

Following a review by, and subsequent discussions among, representatives of the Company, New Jersey Division of Rate Counsel and Board Staff (collectively, the Parties). The Parties entered into a Stipulation for Provisional BGSS and CIP Rates (Stipulation) dated August 26, 2015.

The Parties determined that additional time was needed to complete a comprehensive review of SJG's proposed rates. However, the Parties agreed that the provisional implementation of the proposed rates, subject to refund with interest on any net over-recovered balance, is reasonable at this time, subject to the opportunity for full review at the Office of Administrative Law (OAL), and final approval by the Board.

Staff recommended that the Board approve the following on a provisional basis, subject to refund:

- The Company's per therm Periodic BGSS rate of \$0.529214;
- The gas cost portion of the D-2 charge for Rate Schedule LVS of \$16.545047 per Mcf;
- The gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm of \$15.581692 per Mcf;
- The Limited Firm D-2 for Rate Schedule EGS-LV and the Firm D-2 charge for Rate Schedule FES, respectively, of \$8.272524 per Mcf; and

- The monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS and EGS-LV of \$0.133252 per therm.

Staff further recommended that the Board approve the following per therm CIP rates on a provisional basis:

- A credit of \$0.099971 for RSG non-heating customers;
- A credit of \$0.058946 for RSG heating customers;
- A credit of \$0.031700 for GSG customers; and
- A credit of \$0.025487 for GSG-LV customers.

All rates changes shall be effective for service rendered on and after October 1, 2015, and all rates are subject to refund with interest on any net over-recovered balance.

Staff also recommended that the Board direct that this matter be transmitted to the OAL for review and evidentiary hearings, if needed.

In addition, Staff recommended the Board direct the Company to file the appropriate tariff sheets conforming to the terms and conditions of this Order within 5 business days of the effective date of this Order.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

O. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket Nos. ER15-623 and ER15-88 – Indicated Market Participants v. PJM Interconnection, LLC

Cynthia Holland, Esq., Legal Specialist, presented this matter.

BACKGROUND AND DISCUSSION: On August 6, 2015, the Indicated Market Participants (including Direct Energy and NextEra) filed a request seeking expedited relief from Federal Energy Regulatory Commission (FERC) regarding the manner in which PJM intends to conduct the Transition Incremental Auctions (TIAs). Indicated Market Participants challenge that PJM's method will not produce the lowest total cost to consumers for capacity, as required by FERC in its June 9th Order; rather, the TIAs will likely inflate total costs for each delivery year. Staff, acting on behalf of the Board, joined with the Delaware Public Service Commission as well as the Joint Consumer Representatives, including New Jersey Division of Rate Counsel, to file detailed comments in support of the Indicated Market Participants.

Staff recommended that the Board ratify the submission of supporting comments.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

P. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings Regarding FERC Order 494 Remand – See Executive Session.

This matter was discussed in executive session pursuant to attorney-client privilege exception to the Open Public Meetings Act. The Board will make the contents of its discussion of the above matter public at the earliest appropriate time.

However, President Mroz mentioned that the Board will order the remand of Order 494 at Federal Energy Regulatory Commission which implicates cost allocations for transmission projects in this and any other states which the Board has received an update from counsel and we'll be following very closely as it proceeds.

Q. Docket No. GR15060645 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Review Its Periodic Basic Gas Supply Service Rate.

Jerome May, Director, Division of Energy, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. The Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (Company) filed a petition with the Board to decrease its periodic Basic Gas Supply Service (BGSS-P) rate from \$0.5045 per therm to \$0.4203 per therm, effective as of October 1, 2015, the beginning of the 2015-2016 BGSS year.

The Company, Rate Counsel and Board Staff (collectively, the Parties) agreed that additional time was needed to review the filing. The Parties executed a Stipulation of Settlement (Stipulation) that recommended provisional approval of the Company's proposed BGSS-P rate of \$0.4203 subject to refund with interest on any net over-recovered BGSS balance. The Stipulation provides for the provisional after-tax per therm BGSS-P that would have an estimated over recovery balance as of September 30, 2016 of approximately \$3.0 million.

Staff recommended that the Board provisionally approve the Stipulation of the Parties and the proposed BGSS-P rate of \$0.4203 to be effective October 1, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

Maria L. Moran, Director, Division of Water, presented these matters.

A. Docket Nos. BPU WR15010035 and OAL PUC 01166-15 – In the Matter of New Jersey American Water Company for Approval of Increased Tariff Rates and Charges for Water and Sewer Service, Change in Depreciation Rates and Other Tariff Modifications.

BACKGROUND AND DISCUSSION: President Mroz and Commissioner Chivukula recused themselves from this matter. On January 9, 2015, New Jersey American Water Company (Company) filed a petition with the Board seeking to increase rates for water and wastewater service. The combined proposed rates would increase the Company's annual revenues by \$66.2 million or approximately 9.96% over pro-forma present rate revenues.

The Company serves approximately 612,791 water and fire service customers and approximately 35,987 sewer service customers in all or part of 189 municipalities in 18 of the State's 21 counties.

The matter was transmitted to the Office of Administrative Law and assigned to Administrative Law Judge (ALJ) Barry E. Moscovitz who granted intervention to Rutgers, The State University; Princeton University; Phillips 66 Company; Johanna Foods, Inc.; and Cogen Technologies Linden Venture, L.P. (collectively OIW); Manasquan Customers Group; Middlesex Water Company; Township of Haddon; Mount Laurel Township Municipal Utilities Authority; Aqua New Jersey, Inc.; and the City of Elizabeth. These motions were granted by Orders dated April 17, 2015. By letter dated June 5, 2015 the Township of Haddon withdrew its Motion to intervene in this proceeding.

Subsequent to the public hearings, the Parties to the proceeding engaged in settlement negotiations. As a result of these discussions and extensive discovery, the Company, the New Jersey Division of Rate Counsel, OIW, MCG, MLTMUA, Aqua, Elizabeth, and Board Staff (collectively the "Signatory Parties") reached a Stipulation of Settlement (Stipulation) on all issues. On August 13, 2015, Middlesex submitted a letter neither opposing nor adopting the Stipulation among the Signatory Parties.

The Stipulation calls for an overall revenue requirement increase of \$22,000,000 or approximately 3.59% over present rate revenues of \$612,919,006.

As a result of this Stipulation, the average bill for a general metered residential customer with a 5/8" meter using approximately 6,000 gallons of water per month will increase from \$46.24 to \$50.80, which is \$4.56 per month or approximately 9.86%.

ALJ Moscowitz submitted an Initial Decision which recommended that the Board adopt the Stipulation.

Staff recommended that the Board adopt ALJ Moscowitz Initial Decision which adopts the Stipulation of Settlement among the Signatory Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. WR15060724 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Authorization to Implement a Distribution System Improvement Charge.

BACKGROUND AND DISCUSSION: President Mroz and Commissioner Chivukula recused themselves from this matter. On June 12, 2015, New Jersey American Water (Company) filed a Petition with the Board for approval to file and implement a foundational filing for the Distribution System Improvement Charge or DSIC for the renewal of water distribution system assets for the period of 2015 through 2018.

On August 26, 2015, a public hearing was held at the Howell Municipal Building, located in Howell, NJ at 6:00 pm. Two members of the public were in attendance with one member providing comments.

The Parties to this proceeding, namely, the Company, the New Jersey Division of Rate Counsel and Board Staff, engaged in settlement negotiations and as a result, reached Stipulation of Settlement (Stipulation) on the parameters of the foundational filing:

- In accordance with N.J.A.C. 14:9-10.4(c), New Jersey American Water Company, Inc., had its base rates set by the Board's decision today regarding agenda item 5A, in Docket No. WR15010035 and the DSIC rate reset to zero.
- The Parties recommended that the Board find that the Company's foundational filing satisfies all of the requirements of N.J.A.C. 14:9-10.4(b).
- The Parties recommended that the Board find that the projects contained in Exhibit C of the Company's foundational filing, as updated on August 14, 2015, are DSIC eligible projects within the scope and meaning of the definition set forth in N.J.A.C. 14:9-10.2 and are eligible to be included in the Company's DSIC filings pursuant to N.J.A.C. 14:9-10.5.

Staff recommended that the Board adopt the Stipulation of the Parties which establishes the foundational filing for New Jersey American Water Company, Inc., and is in accordance with the applicable administrative code.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

6. RELIABILITY & SECURITY

James Giuliano, Director, Division of Reliability and Security, presented these matters.

A. Docket Nos. CO15070843K, et seq. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Steve Becker, Becker’s Tree Service.

BACKGROUND AND DISCUSSION: This matter involved Final Order of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act. This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules set forth in N.J.A.C. 1:1-7.2. The alleged violator failed to submit the Answering Certification as required by N.J.A.C. 14:2-6.6(a). The certified mail was returned to the Board as “Refused”, and the regular mail was not returned to the Board as undeliverable.

Pursuant to N.J.A.C. 14:2-6.6(a) If the alleged violator fails to submit the Answering Certification within the deadline at N.J.A.C. 14:2-6.5(a), or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default. By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board approve an Order evoking the Board’s rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000 and not more than \$2,500 per

violation per day, with a \$25,000 maximum for a related series of violations. N.J.S.A. 48:2-88. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000 for each violation for each day with a \$1,000,000 maximum for any related series of violations. N.J.S.A. 48:2-86(c).

N.J.A.C. 14:2-6.6 Failure of alleged violator to submit Answering Certification:

(a) If the alleged violator fails to submit the Answering Certification within the deadline at N.J.A.C. 14:2-6.5(a), or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the Notice of Probable Violation (NOPV) to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules at N.J.A.C. 1:1-7.2.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards in N.J.A.C. 14:2-6.2. (e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single Order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket No. EO15080984 – In the Matter of the June 23, 2015 Bow Echo Weather Event – Review of the Response and Restoration of Electric Utility Outages.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On June 23, 2015, at approximately 6:00 p.m., a severe weather event with an

unusually intense and uncertain line of storms struck the service territories of Atlantic City Electric (ACE) and Public Service Electric and Gas (PSE&G), interrupting service to over 400,000 customers in Southern New Jersey. Damage from the weather event was caused mainly by a strong “bow echo,” which is characterized as a quick-developing line of storms with extreme and sustained straight line winds, as well as damaging wind gusts.

Board Staff began a review of the response and restoration efforts immediately after full recovery, and on July 22, 2015, at the regularly scheduled Board Agenda meeting, the Board directed Staff to continue its review of ACE’s overall storm response with a focus on the company’s communication with customers and local officials. The Board also directed Staff to determine if the post Hurricane Irene and Superstorm Sandy ordered improvement measures were effective and achieved the results envisioned by the Board. Furthermore, Staff was directed to review and work with ACE to improve emergency communication efforts, and to work with all of the electric distribution companies to identify and develop contingency plans for the potential for wireless/cellular outages during a power restoration event.

After a full review of the overall storm response Staff issued a report: “June 23, 2015 Bow Echo Weather Event: Report and Recommendations on the Response and Restoration of Electric Utility Outages”.

Staff recommended that the Board accept the storm response report and approve the following recommendations:

All Electric Distributing Companies (EDCs)

EDC Recommendation 1: The EDCs should formalize and exercise their back up communications plans used to collect and disseminate voice, data and text information to their workforce and in particular their field personnel during an emergency event or major outage.

EDC Recommendation 2: During a major weather event, the EDCs should identify as soon as practicable, after the release of a global ETR, those areas or pockets of customers projected to be restored last in the restoration process. The information shall be made available to municipal officials in the communities where customers that are last to be restored are identified so they can prepare for an extended loss of service.

Atlantic City Electric (ACE)

ACE Recommendation 1: ACE shall revise its emergency operations plan so as to improve outreach and dissemination of information to public officials impacted by a major weather/emergency event. ACE will clarify and confirm officials’ contact information and preferences. During major outages, as defined in the company’s Emergency Operations Plan.

as “Severe” or Catastrophic” Incidents, ACE will utilize these contacts and preferences to convey situational awareness to effected areas, regardless of the time of day.

ACE Recommendation 2: ACE shall work with the Board Emergency Management Staff on ways to improve coordination of outage information, particularly in the early stages of a major storm. In addition to the direct contact between BPU Staff and the Regulatory Liaison during a major event, ACE will add storm room Operations Leads to the list of ACE contacts.

ACE Recommendation 3: ACE shall re assess the methodology and processes employed to develop Global Estimated Times of Restoration for major outages to ensure these Global Estimates are based on the best available information on the extent of damage, immediately available workforce, arrival and deployment of mutual assistance workforce and materials. These Estimates should also reflect experience from past weather events and be informed by experienced restoration and operational personnel.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

A. In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000:

Docket No. QG15080963 – Walmart Turnersville
Docket No. QG15080964 – Walmart Howell
Docket No. QG15080965 – Walmart Mays Landing
Docket No. QG15080968 – Westin-Jersey City Newport

Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: The Board administers the New Jersey Clean Energy Program (NJCEP). The Combined Heat & Power/Fuel Cell (CHP/FC) Program is open to all Commercial and Industrial customers paying into the Societal Benefits Charge (SBC) who install CHP/FC systems to further enhance energy efficiency in their buildings through on-site power generation with recovery and productive use of waste heat, thereby reducing existing and new demands to the electric power grid.

Walmart Turnersville, with a facility at 3501 Route 42 in Gloucester County, NJ, submitted an application for a financial incentive in the amount of \$750,000. The estimated project cost of \$2,994,427 has an estimated 15 year simple payback after

factoring in the incentive. This 250 kW fuel cell system, with an overall annual efficiency of 50.6%, will have an annual estimated electric production of 2,080,598 kWh and an estimated average annual energy cost savings of \$105,898.20

Walmart Howell, with a facility at 4900 US 9 Highway in Monmouth County, NJ, submitted an application for a financial incentive in the amount of \$600,000. The estimated project cost of \$2,395,542 has an estimated 23 year simple payback after factoring in the incentive. This 200 kW fuel cell system, with an overall annual efficiency of 50.6%, will have an annual estimated electric production of 1,663,540 kWh and an estimated average annual energy cost savings of \$45,034.50.

Walmart Mays Landing, with a facility at 4620 Black Horse Pike in Atlantic County, NJ, submitted an application for a financial incentive in the amount of \$600,000. The estimated project cost of \$2,395,542 has an estimated 15 year simple payback after factoring in the incentive. This 200 kW fuel cell system, with an overall annual efficiency of 50.6%, will have an annual estimated electric production of 1,663,540 kWh and an estimated average annual energy cost savings of \$81,663.29.

Westin Jersey City Newport, with a facility at 479 Washington Boulevard in Hudson County, NJ, submitted an application for a financial incentive in the amount of \$600,000. The estimated project cost of \$2,158,229 has an estimated 10.44 year simple payback after factoring in the incentive. This 300 kW CHP/FC system consisting of three gas engine CHP units with capacities of 100 kw each with an overall annual efficiency of 80.1%, will have an annual estimated electric production of 1,984,852.6 kWh, recovering 13,2926.2 MMBtu in waste heat annually, with an estimated average annual energy cost savings of \$123,006.92.

Staff determined that the above-referenced Walmart and Westin applications meet the eligibility criteria for the CHP/FC Program and recommended that the Board approve these applications.

DECISION: The Board adopted the recommendation of Staff as amended from the bench, in that the Board directed the Staff to review the program and come back to the Board with recommendations on refinements to the program.

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

9. MISCELLANEOUS

There were no items in this category.

EXECUTIVE SESSION

After appropriate motion, the following matters, which involved pending litigation attorney-client privilege, and/or contract exceptions to the Open Public Meetings Act was discussed in Executive Session.

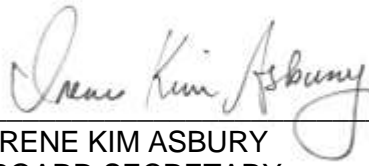
2. ENERGY

**P. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 –
FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings
Regarding FERC Order 494 Remand.**

The substance of this discussion shall remain confidential except to the extent that making the discussion public is not inconsistent with law.

After appropriate motion, the Board reconvened to Open Session.

There being no further business before the Board, the meeting was adjourned.



IRENE KIM ASBURY
BOARD SECRETARY

Date: October 15, 2015